

COMMONWEALTH of VIRGINIA

Department of Medical Assistance Services May 25, 2007

DIRECTOR

Dear Medicaid Provider:

PATRICK W. FINNERTY

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The Department of Medical Assistance Services (DMAS) is pleased to announce that, effective October 1, 2007, Medicaid managed care will be available to Medicaid enrollees in the City of Lynchburg and the Counties of Amherst, Appomattox and Campbell.

DMAS fully supports these initiatives and strongly encourages all Medicaid enrolled providers to contract with the Managed Care Organizations (MCOs). In the City of Lynchburg and the Counties of Amherst, Appomattox, and Campbell, Southern Health-CareNet, Optima Family Care, and Virginia Premier are contracting with providers and will deliver services to Medicaid and FAMIS clients effective October 1, 2007.

In Lynchburg, Amherst, Appomattox, and Campbell, MCOs will deliver health care services to current MEDALLION and newly eligible individuals enrolled in Medicaid and Family Access to Medical Insurance Security (FAMIS). Prior to the effective date, the MEDALLION primary care case management program will cease and no longer be operational in these areas. In order for providers, including MEDALLION primary care providers, to continue to serve DMAS' managed care recipients, providers must contract with the participating MCOs. Providers should also be aware that Medicaid participation does not guarantee participation with a MCO.

Please remember that you may continue to see a small number of individuals who are exempt from managed care and who are enrolled in Medicaid fee-for-service (e.g. enrolled in one of the waiver programs, are in a nursing home, etc). You do not need to participate with a MCO to provide services to the Medicaid fee-for-service population exempt from managed care. However, you must continue to be an enrolled Medicaid provider.

The MCOs contracting in your area already provide Medicaid and FAMIS services to hundreds of thousands of Virginians. The Commonwealth of Virginia has experienced improved access to care, coordination of services, and health outcomes for those enrolled in managed care. For more information about the MCOs, or to request an application to participate, you should contact them directly. Their contact numbers are:

Southern Health - CareNet 800-424-0077 Optima Family Care 877-865-9075 Virginia Premier 804-819-5160 Medicaid Provider May 25, 2007 Page Two

DMAS will hold local meetings to discuss the changes that are coming and how these changes will impact providers and Medicaid enrollees. Invitations will be mailed in the near future. If you have any questions regarding this letter, please contact Kathleen Dickerson, Provider Relations Representative, at 804-371-8852, or by email at Kathleen.Dickerson@dmas.virginia.gov.

Thank you for your cooperation and support.

Sincerely,

H. Bryan Tomlinson, II

Director, Division of Health Care Services